DECISION MEMORANDUM

TO: COMMISSIONER KEMPTON

COMMISSIONER SMITH COMMISSIONER REDFORD COMMISSION SECRETARY

COMMISSION STAFF

FROM: DON HOWELL AND KRISTINE SASSER

DEPUTY ATTORNEYS GENERAL

DATE: MAY 6, 2010

SUBJECT: PROPOSED SCHEDULE TO PROCESS AVISTA'S GENERAL RATE

CASE, CASE NOS. AVU-E-10-01/AVU-G-10-01

On March 23, 2010, Avista Corporation dba Avista Utilities filed an Application seeking authority to increase the Company's general rates for electric and natural gas service in Idaho by averages of 14% and 3.6%, respectively. If approved, the Company's revenues for electric base rates would increase by \$32.1 million annually. Company revenues for natural gas rates would increase by \$2.6 million annually.

A Notice of Application and Notice of Intervention Deadline was issued by the Commission on April 9, 2010, setting an April 23, 2010, deadline for intervention. Order No. 31038. Seven parties timely filed for intervention – Clearwater Paper Corporation, Idaho Forest Group, Idaho Community Action Network (ICAN), Community Action Partnership Association of Idaho (CAPAI), Idaho Conservation League (ICL), Snake River Alliance, and North Idaho Energy Logs. The Commission also suspended the Company's proposed effective date of April 23, 2010, for a period of 30 days plus 5 months. The Commission directed that Staff convene an informal prehearing conference to discuss how this case should be processed.

THE PROPOSED SCHEDULE

Pursuant to the Commission's direction, the parties convened an informal prehearing conference on May 5, 2010. Avista, Staff, CAPAI, Clearwater Paper, Idaho Forest Group, ICL and North Idaho Energy Logs were in attendance. The parties agreed on the proposed schedule as set forth below:

Action Date

Staff/Intervenor prefiled testimony due August 5, 2010

Staff/Intervenor rebuttal testimony due August 24, 2010

Company rebuttal testimony due September 10, 2010

Technical hearing (Boise) September 22-24, 2010

The parties agreed to serve other parties with discovery and other documents via e-mail. The parties further agreed that, after the Staff/Intervenor prefile deadline of August 5, answers to discovery should be provided no later than seven calendar days from the date of the discovery request.

COMMISSION DECISION

1. Does the Commission wish to adopt the discovery and hearing schedule proposed by the parties?

Kristine A. Sasser

Deputy Attorney General

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